

Public Service Commission of Wisconsin

Eric Callisto, Chairperson Mark Meyer, Commissioner Lauren Azar, Commissioner 610 North Whitney Way P.O. Box 7854 Madison, WI 53707-7854

3720-WR-107

June 21, 2010 - SENT ELECTRONICALLY

Ms. Carrie M. Lewis, Superintendent Milwaukee Water Works 841 North Broadway, Room 409 Milwaukee, WI 53202

E-mail: carrie.lewis@milwaukee.gov

Re: Staff Revised Exhibits and Supplemental Direct Testimony for the

Milwaukee Water Works Application for a Water Rate Increase

Dear Ms. Lewis:

Enclosed are revised copies of the Public Service Commission staff's (staff) proposed 2010 test year exhibits and Supplemental Direct Testimony to be presented at the hearing for the Milwaukee Water Works (utility). The exhibits are labeled 12.6 (revenue requirement), 12.7 (cost-of-service study), and 12.8 (rate design) to match the numbering assignment which will be used at the hearing. The exhibits are based on the revised Operating Expenses submitted by the utility on June 1, 2010, and June 10, 2010. They also incorporate several other changes based on input into this case so far.

If you have any questions regarding the above, please contact me at (608) 267-9817 or by e-mail at kathleen.butzlaff@psc.state.wi.us. If you have any questions regarding the status of your rate case, please contact David Prochaska at (608) 266-5739 or by e-mail at david.prochaska@psc.state.wi.us.

Sincerely,

/s/ Kathleen Butzlaff

Kathleen Butzlaff Audit Manager Division of Water, Compliance and Consumer Affairs

KAB:pc:w:\water\butzlk\rate case exhibits\Milwaukee Letter 2010 3 Enclosure

cc: Service List

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